

Message Text

UNCLASSIFIED

PAGE 01 STATE 176345

41

ORIGIN ARA-10

INFO OCT-01 ISO-00 SP-02 CIAE-00 DODE-00 INR-07 NSAE-00

PA-02 USIA-15 PRS-01 EB-07 /045 R

DRAFTED BY ARA/CAR:TJCHEAVNER

APPROVED BY ARA/CAR:TJCHEAVNER

NOTE: REENTRY DUE TO 1ST CHARACTER DROPPED IN MOST
PARAS

----- 039919

O 161439Z JUL 76

FM SECSTATE WASHDC

TO AMEMBASSY KINGSTON IMMEDIATE

UNCLAS STATE 176345

E.O. 11652: N/A

TAGS: PFOR, US, JM

SUBJECT: PRESS REPORTS ON ALCOA PAYMENTS ABROAD

1. WASHINGTON POST MORNING JUNE 16 CARRIED STORY WHICH
INTER ALIA IDENTIFIED JAMAICA AND AMBASSADOR DE ROULET AS
COUNTRY AND AMBASSADOR REFERRED TO IN THE ALCOA SEC
REPORT.

2. FOLLOWING IS TEXT OF POST STORY: THE STATE DEPT HAS
BEGUN AN INVESTIGATION INTO THE REPORTED ROLE OF A US
AMBASSADOR WHO ASKED THE ALUMINUM COMPANY OF AMERICA TO
MAKE A DOLS 25,000 PAYMENT TO A POLITICAL PARTY IN A FOR-
EIGN COUNTRY.

THE ALCOA PAYMENT WAS MADE IN 1971, ACCORDING TO A REPORT
BY THE COMPANY TO THE SECURITIES AND EXCHANGE COMMISSION,
AND WAS TO HAVE BEEN USED TO EXPLAIN TO CITIZENS OF THE
COUNTRY THE ADVANTAGES OF US INVESTMENTS.

NEITHER THE COMPANY NOR THE AMBASSADOR WERE NAMED IN THE
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 176345

COMPANY'S REPORT TO THE SEC. ALCOA CLAIMED THE AMBASSADOR'S

ROLE WAS ONLY INCIDENTAL.

YESTERDAY A STATE DEPT SPOKESMAN, WHILE REFUSING TO NAME THE AMBASSADOR OR THE COUNTRY, SAID AN INVESTIGATION WAS UNDER WAY.

THE ASSOCIATED PRESS IDENTIFIED THE AMBASSADOR AS THE LATE VINCENT W. DE ROULET, WHO WAS ENVOY TO JAMAICA AT THE TIME.

DE ROULET, A CALIFORNIA REAL ESTATE AND INVESTMENT BROKER, DIED LAST YEAR. THE AP REPORTED THAT THE DOLS 25,000 PAYMENT WAS WRITTEN TO THE ORDER OF THE RULING JAMAICAN PARTY, HEADED BY PRIME MINISTER MICHAEL MANLEY.

DE ROULET WAS APPOINTED AMBASSADOR IN 1969 AND WAS MEMOVED IN MID-1973 WHEN IT WAS ALLEGED HE WAS INTERFERING WITH JAMAICAN POLITICS.

ALCOA'S REPORT SAID THAT "IN AN EFFORT TO OBTAIN A DEGREE OF CONFIDENTIALITY" THE PAYMENT WAS "BOOKED AS A MISCELLANEOUS EXPENSE OF A WHOLLY-OWNED SUBSIDIARY."

ACCORDING TO ALCOA, IT NEVER LEARNED WHETHER THE DOLS 25,000 CASHIERS CHECK EVER WAS USED FOR THE ALLEGED EDUCATION PROGRAM. THE COMPANY SAID THE MONEY MIGHT HAVE ENDED UP AS A POLITICAL CONTRIBUTION.

THE COMPANY ALSO MADE FOUR ADDITIONAL PAYMENTS TOTALING DOLS 25,000 TO OFFICIALS OF POLITICAL PARTIES OF THAT SAME COUNTRY, THE REPORT SAID.

AND, IN 1972, THE ALCOA SENIOR MANAGEMENT AGAIN AUTHORIZED A POLITICAL CONTRIBUTION IN THE SAME COUNTRY, THIS TIME DOLS 5,000 OF COMPANY FUNDS.

IN THAT SAME COUNTRY, A CONSULTANT WAS PAID DOLS 49,000 TO EXPEDITE A CONSTRUCTION PROJECT. THE COMPANY SAID THAT SOME OF THE MONEY MIGHT HAVE BEEN USED TO BUY A CAR FOR A GOVT OFFICIAL.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 176345

IN ANOTHER FOREIGN COUNTRY, ALCOA AGREED TO CONTRIBUTE DOLS 25,000 TOWARD THE ESTABLISHMENT OF A NEWSPAPER, ALLEGEDLY TO BALANCE THE VIEW OF A PAPER CONTROLLED BY THE PARTY IN POWER. BUT AN INVESTIGATION BY ALCOA REVEALED THAT THE NEWSPAPER WAS NEVER ESTABLISHED AND THE CONTRIBUTION WAS NEVER RETURNED.

THE ALCOA INVESTIGATION BEGAN IN JANUARY 1976 AFTER AN OFFICER OF A SUBSIDIARY REPORTED CERTAIN QUESTIONABLE FOREIGN SALES AND COMMISSION PRACTICES, ACCORDING TO THE COMPANY. AT THE SAME TIME, THE COMPANY'S AUDITORS, COOPERS & LYBRAND, RAISED SIMILAR QUESTIONS.

AN INVESTIGATING TEAM VISITED A NUMBER OF THE COMPANY'S FOREIGN SUBSIDIARIES. SOME 50 DIRECTORS, OFFICERS, AND EMPLOYEES WERE INTERVIEWED, ACCORDING TO ALCOA'S REPORT TO THE SEC. END TEXT. KISSINGER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BRIBERY, PRESS COMMENTS, PFOR, MULTINATIONAL CORPORATIONS, ALLEGATIONS, INVESTIGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE176345
Document Source: CORE
Document Unique ID: 00
Drafter: TJCHEAVNER
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760276-0768
From: SECSTATE WASHDC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760747/aaaabpff.tel
Line Count: 125
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: vogelfj
Review Comment: n/a
Review Content Flags:
Review Date: 26 FEB 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 FEB 2004 by ThomasVJ>; APPROVED <31 JAN 2005 by vogelfj>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS REPORTS ON ALCOA PAYMENTS ABROAD
TAGS: PFOR, EFIN, PORS, US, JM, ALCOA
To: PARAMARIBO
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006